

January 12, 1988

(ase 9301

Energy and Minerals Department Oil Conservation Division P. O. Box 2088 Santa Fe, New Mexico 87501

Re: Echols State Unit

Lea County, New Mexico

Gentlemen:

Enclosed for filing, please find three copies of the Application of Yates Petroleum Corporation for Approval of a Unit Agreement, Echols State Unit Area, Lea County, New Mexico.

We ask that this matter be set for hearing before an Examiner on February 3, 1988, and that we be furnished with a docket of said hearing.

Thank you.

Sincerely yours,

DICKERSON, FISK & VANDIVER

Chad Dickerson

CD:pvw Enclosures

cc w/enclosure: Ms. Kathy Colbert

Dickerson, Fisk & Vandiver

JAN 1 - 100

BEFORE THE OIL CONSERVATION DIVISION CONSERVATION DIVISION OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION :
OF YATES PETROLEUM CORPORATION :
FOR APPROVAL OF A UNIT AGREEMENT, :
ECHOLS STATE UNIT AREA, LEA COUNTY, :
NEW MEXICO :

case No. 9301

APPLICATION

COMES NOW Yates Petroleum Corporation, by its attorneys, and in support hereof, respectfully states:

1. Applicant is the operator of the following lands in Lea County, New Mexico:

Township 11 South, Range 38 East, N.M.P.M.

Section 9: All Section 10: SW/4 Section 15: All

containing 1,440 acres, more or less.

- 2. The Applicant seeks to commit the above described lands to an exploratory unit known as the Echols State Unit. The unit consists entirely of state lands.
- 3. The ratification or approval of all leasehold owners, including the State of New Mexico, required to ratify such unit agreement will be forthcoming prior to the effective date of any order issued pursuant to this Application by the Division.

4. The approval of this Application is in the interest of conservation and will prevent waste and protect correlative rights. WHEREFORE, Applicant prays: That this Application be set for hearing before an Α. examiner and that notice of said hearing be given as required by law. That upon hearing, the Division enter its order approving the Echols State Unit Agreement, with Applicant as operator, as an exploratory unit embracing the above described lands. C. And for such other and further relief as may be just in the premises. YATES PETROLEUM CORPORATION DICKERSON, FISK & VANDIVER Seventh and Mahone, Suite E Artesia, New Mexico 88210 (505) 746-9841 Attorneys for Applicant